



MAGIC VALLEY

BLAINE, CAMAS, CASSIA, GOODING, JEROME, LINCOLN, MINIDOKA, & TWIN FALLS COUNTIES

EMPLOYMENT TRENDS

The seasonally adjusted unemployment rate was 4.0 percent for the Magic Valley Labor Market Area (LMA) for February 2004. This was two-tenths of a percentage point higher than January 2004 and one-tenth of a percentage point higher than February 2003. *Civilian Labor Force* showed a strong growth of 3,960 or 7.3 percent year-over year. Unemployment continues to be very stable. The small upturn in unemployment rate was due to extreme winter weather conditions in early February that slowed some hiring.

Retail Trade had a strong 8.1 percent growth year-over-year indicating that the Magic Valley LMA still has a robust market-driven economy. *Construction* also was very strong owing to new housing starts fueled by low interest rates and a boom of business construction. It is anticipated that this trend will continue at least through the first part of 2004. All indicators show a steady market, and although it would be tough to beat 2003 economic indicators, it is expected that as the national economy progresses toward recovery, other parts of South Central Idaho will also improve.

AREA DEVELOPMENTS

Twin Falls County

- In March Dell, Inc. announced that it was restructuring its existing Consumer Technical Support Call Center that has been open since February 2002 to become a Business Relationship Call Center. Business Relations represents the largest part of Dell's market share, and the outstanding performance and technical skill of the workers in the Twin Falls call center convinced Dell executives to create the call center in Twin Falls. This is only Dell's second such call center in the nation and the move has immediate and positive consequences in the area. The existing Dell staff will receive additional training and certification in partnership with the College of Southern Idaho. Many of

Magic Valley Table 1: Labor Force & Employment
Twin Falls, Jerome, and Gooding Counties

| | Feb 2004* | Jan 2004 | Feb 2003 | % Change From | |
|--|--------------|-------------|-------------|---------------|--------------|
| | | | | Last Month | Last Year |
| INDIVIDUALS BY PLACE OF RESIDENCE | | | | | |
| Seasonally Adjusted | | | | | |
| Civilian Labor Force | 58,170 | 57,470 | 54,210 | 1.2 | 7.3 |
| Unemployment | 2,300 | 2,210 | 2,110 | 4.1 | 9.0 |
| % of Labor Force Unemployed | 4.0 | 3.8 | 3.9 | | |
| Total Employment | 55,870 | 55,260 | 52,100 | 1.1 | 7.2 |
| Unadjusted | | | | | |
| Civilian Labor Force | 56,920 | 55,900 | 52,890 | 1.8 | 7.6 |
| Unemployment | 2,870 | 2,760 | 2,630 | 4.0 | 9.1 |
| % of Labor Force Unemployed | 5.0 | 4.9 | 5.0 | | |
| Total Employment | 54,050 | 53,140 | 50,260 | 1.7 | 7.5 |
| JOBS BY PLACE OF WORK | | | | | |
| Nonfarm Payroll Jobs** | 44,580 | 43,800 | 39,160 | 1.8 | 13.8 |
| Goods-Providing Industries | 7,810 | 7,730 | 6,680 | 1.0 | 16.9 |
| Natural Resources & Mining | 20 | 20 | 30 | 0.0 | -33.3 |
| Construction | 2,520 | 2,410 | 1,730 | 4.6 | 45.7 |
| Manufacturing | 5,270 | 5,300 | 4,920 | -0.6 | 7.1 |
| Food Manufacturing | 3,510 | 3,440 | 3,030 | 2.0 | 15.8 |
| Other Manufacturing | 1,760 | 1,860 | 1,890 | -5.4 | -6.9 |
| Service-Providing Industries | 36,770 | 36,070 | 32,480 | 1.9 | 13.2 |
| Trade, Transportation & Utilities | 10,130 | 10,100 | 9,710 | 0.3 | 4.3 |
| Wholesale Trade | 1,920 | 1,870 | 1,710 | 2.7 | 12.3 |
| Retail Trade | 6,130 | 6,240 | 5,670 | -1.8 | 8.1 |
| Utilities | 270 | 250 | 180 | 8.0 | 50.0 |
| Transportation & Warehousing | 1,810 | 1,740 | 2,150 | 4.0 | -15.8 |
| Information | 490 | 500 | 490 | -2.0 | 0.0 |
| Financial Activities | 1,740 | 1,740 | 1,660 | 0.0 | 4.8 |
| Professional & Business Services | 6,920 | 6,410 | 4,930 | 8.0 | 40.4 |
| Educational & Health Services | 3,840 | 3,660 | 3,050 | 4.9 | 25.9 |
| Leisure & Hospitality | 3,550 | 3,650 | 3,270 | -2.7 | 8.6 |
| Other Services | 1,500 | 1,520 | 1,480 | -1.3 | 1.4 |
| Government Education | 4,080 | 3,980 | 3,890 | 2.5 | 4.9 |
| Government Administration | 4,520 | 4,510 | 4,000 | 0.2 | 13.0 |

*Preliminary Estimate

**Full- or part-time jobs of people who worked for or received wages in the pay period including the 12th of the month

these positions offer good vertical career path opportunities and the possibility of higher pay. Since the center will typically be dealing with business, the call center hours may be shortened during the week and a light crew may staff the center on weekends. This will also stabilize demand and keep most workers' hour steady throughout the year instead of fluctuating with consumer demand. This move is evidence of the area's excellent workforce aptitude for change and the strong partnership among the City of Twin Falls, College of Southern Idaho, and the Idaho Department of Labor.

- Hydro-Fittings, Inc., a Covina, California, business was scheduled to locate in Twin Falls in June or July, but has had to push back its anticipated opening date to August or September. The company is moving its entire operation to Twin Falls and experienced some delays that necessitated the changes. When open in September, Hydro-Fittings, will em-

ploy 30-35 full-time machinists, assemblers, warehouse personnel, and clerical staff.

- The new Valley Co-Op store in Buhl held its grand opening in late March with a barbeque featuring potato salad, chips, pork and beans, and pop for all. The new store, renamed Valley Country Store, is located at 708 Highway 30 East. Along with being larger, the new store offers a wider selection of goods including clothing, different boot styles, specialty feeds, animal health products, pet foods, and supplies. It also offers bird feeders and other wildlife goods, lawn and garden items, automotive, plumbing, and electrical supplies, and tools. The new store also has two fuel bays. One offers diesel only and the other accommodates a maximum of 12 vehicles with a selection of Phillips 66 mid-grade, premium, no-lead, and diesel fuel. All major credit cards are accepted and customers can apply for a local gas card through the Certified Fueling Network. Two full-time and nine part-time workers have been added to the workforce to accommodate the larger store.
- The Twin Falls School District announced proposals for major changes in its Vocational-Technical Education programs. The district proposes to expand and enhance programs so they will be more in line with the 21st century workplace. The district plans to work with the College of Southern Idaho for agricultural training. The curriculum will contain the traditional basics of farm operations such as welding, wood-working, etc., but also will offer more expanded courses in general farm management, ethics, and interpersonal skills to those students seeking farm careers. The remaining programs are to be similarly enhanced in scope and offering to encompass the broad range of skills employers are seeking.

Blaine, Camas, Gooding, Jerome, and Lincoln Counties

- A landmark agreement was reached between the state of Idaho and various water users for a mitigation plan to voluntarily curtail groundwater pumping and avoid an April 1 shutdown that would have virtually destroyed the economies of five counties on the north side of the Snake River Canyon. In 1994, Rangen, Inc. representing the aquaculture (trout and sturgeon) production won the right to issue a "call" to the Idaho Department of Water Resources if water quantity or quality should reach critical proportions regarding the health and safety of fish production. Due to years of drought, just such a call was issued affecting 750 groundwater users that irrigated more than 1.5 acres or more from groundwater and whose groundwater rights were acquired after 1962. These users, which included 25 dairies, were told to come up with a mitigation plan to curtail use of 26,500 acre-feet of water. This curtailment also included some of

the wells of local municipalities. A compromise deal was brokered through the Idaho Legislature and Governor Dirk Kempthorne in which curtailment was avoided for one year until economic impact and a viable conservation plan can be made to permanently keep the Snake River Aquifer at healthy levels.

- Wisconsin-based WOW Logistics has decided to expand its Jerome facility. The company opened the 232,000-square-foot facility in November 2002 with seven full-time employees. The company now has 21 full-time employees. WOW Logistics plans to add an additional 75,000-square feet to its existing facility to accommodate the huge boom in business the company has experienced since arriving in Idaho. The Jerome facility is WOW Logistics' first location outside of Wisconsin. The refrigeration cooler expansion is to be completed by the end of March and the building expansion should be ready for additional new inventory to add to existing stocks in August

Cassia and Minidoka Counties

- In an early March press conference at the former J.R. Simplot plant in Heyburn, the company announced it would transfer ownership of the entire 276 acres of facilities in Minidoka and Cassia Counties to the City of Burley. Mayor Jon Anderson of Burley accepted the land and, with Mayor George Anderson of Heyburn, pledged to work with the entire Mini-Cassia area to help develop the facilities into an industrial park. In his remarks at the meeting, Governor Dirk Kempthorne called the industrial park a launching pad from which the unemployed workers in the area can derive hope. It is envisioned that the industrial park will include such businesses as ice cream or cheese processors, distributors, ethanol workers, cold storage facilities, trucking operations, etc. that could employ 600-800 direct workers and eventually have a \$100 million per year economic impact on the Mini-Cassia area. Roger Madsen, Director of the Department of Labor and Interim Director of the Department of Commerce, Speaker of the House Bruce Newcomb, Representative Scott Bedke, and Representative "Bert" Stevensen, as well as mayors, county and city officials, and representatives of the Idaho Departments of Commerce and Labor, attended the event.

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